



**INTERNATIONAL
COFFEE
ORGANIZATION**

WG 14/16

30 August 2016
English only

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**Report of the Stakeholders' Workshop
held on 7 July 2016**

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REPORT OF THE STAKEHOLDERS' WORKSHOP HELD ON 7 JULY 2016

1. On 7 July 2016 a Stakeholders' Workshop was held to which all Members, selected third parties, and members of the Secretariat (the 'Stakeholders') were invited. The objective of the Workshop was to discuss findings of the consultations with Stakeholders and preliminary recommendations. These recommendations were developed by the consultants to sharpen the strategic focus of the ICO.
2. In total 20 Members, 4 selected third parties and 10 members of the Secretariat attended the workshop. See Annex I for a complete list of attendees.
3. The Chairman of the International Coffee Council and the Executive Director welcomed participants and thanked them for having travelled to the ICO to take part in this important event. The Executive Director also outlined the process for recruiting SustainAbility, the consultancy firm that had been helping the Secretariat to conduct the Strategic Review and who were present to facilitate the workshop.

Item 1: Presentation of the results of the consultation process to date

4. The Head of Operations gave a presentation outlining the different components of the Strategic Review process before moving on to the results. She explained that the Secretariat had engaged in consultations with the Stakeholders. The consultation process comprised: (i) an online survey of Members and third parties, (ii) one-on-one interviews with Members and third parties, and (iii) an ICO staff survey and workshop.
5. The main conclusion of the survey was that the ICO was a relevant Organization, but it needed to improve the way in which it delivered value to both its Members and the coffee sector as a whole.
6. Following the completion of the online survey, the Secretariat began conducting one-on-one interviews with Members and Stakeholders, the aim of which was to gain an in-depth understanding about the Members' views on the future strategic direction that the Organization should take. The results of the interviews showed that all interviewees agreed that the main goals of the ICO should be to (i) provide a forum for exchange within and between the public and private sectors; (ii) encourage Members to develop a sustainable coffee sector; and (iii) provide statistical data and studies on coffee matters. However, there was less consensus over the need for the ICO to (iv) develop proposals and seek finance for coffee development projects; and (v) promote consumption.

7. Interviewees were keen to stress that there was great potential to improve the value the ICO delivers and at the same time it needed to become more flexible and adaptable to react to arising challenges.

8. In parallel, the ICO staff were consulted by means of a survey and a workshop. As a result, the ICO's staff developed suggestions to improve the Secretariat's services and analysed implications for potential resource allocation.

9. Further details of the results of the consultation process can be found in the Head of Operations' presentation which is available in Annex II.

Item 2: Prioritisation of strategic goals – draft recommendations

10. Rob Cameron, CEO of SustainAbility, presented the draft recommendations to emerge from the process (Annex III). In order to achieve the three aforementioned objectives he suggested that the ICO should:

- (i) Strengthen its capacity for collection and analysis of data as well as policy advice.
- (ii) Engage the Membership more effectively (e.g. through active participation in meetings and forums, provision of statistical data and information).
- (iii) Engage with key Stakeholders to maximise their programmes' impact by contributing to the alignment of objectives and activities.
- (iv) Concentrate limited resources on selected and generic promotion activities (e.g. International Coffee Day (ICD)).
- (v) Explore the potential to diversify revenue streams (e.g. through the provision of added-value data and information services, organising and hosting events).
- (vi) Participate and engage fully in existing sustainability initiatives and establish the ICO's own theory of change for the development of a sustainable sector.
- (vii) Develop a strategic planning framework which allows for adjustments in its planning cycle. Accordingly, he recommended that there would need to be a transitional Programme of Activities for coffee year 2016/17.

11. Finally, he recommended that the Secretariat undertake an internal review to address perceived organisational weaknesses.

Item 3: Contributions from selected third parties

12. The Executive Director had invited four organisations with which the ICO has a close relationship to give Workshop attendees their perspective on the ICO's strategic focus. These were Mr Fred Kawuma, Secretary-General of the InterAfrican Coffee Organisation (IACO), Ms Annette Pensel, interim Executive Director of the Global Coffee Platform (GCP), Mr Niels Haak from the Sustainable Coffee Challenge, Conservation International, and Mr Bill Murray, CEO and President of the National Coffee Association of the United States (NCA).

13. The guests thanked the Secretariat for its openness and transparency in including them in the workshop. The main messages to arise from their presentations were that the ICO is seen as a neutral Organization which as a result holds the international convening power to bring together both the public and private sectors. By doing so, it enables the coffee sector to work more efficiently together and make better use of its resources. Such a collaborative environment is necessary to ensure that both sectors share the responsibility for making the coffee sector sustainable in line with the Sustainable Development Goals (SDGs). The guests also highlighted the importance of refocusing the ICO's goals in such a way that they connect to its overall mission. Similarly, they pointed out that the progress that the ICO makes in achieving its goals should be measured and included as an essential part of its annual planning cycle.

Conclusions

14. The Head of Operations informed attendees that the Secretariat together with the consultant would use all of the input gathered during this Workshop to prepare the draft Strategic Review document which would be reviewed during a meeting of the Working Group prior to the 117th Session of the International Coffee Council.

15. The draft Programme of Activities would be prepared bearing in mind that coffee year 2016/17 should be regarded as transitional prior to the full implementation of a new strategy and the development of a strategic planning framework.

ATTENDEES OF THE STAKEHOLDERS' WORKSHOP, 7 JULY 2016

Members

- Angola: **Mr Diogo Cristiano**, Counsellor, Embassy of Angola
- Bolivia:
 - **Mr Arturo Suárez Vargas**, Embassy of Bolivia
 - **Ms Paula Asport**, Embassy of Bolivia
- Brazil:
 - **Ms Ana Paula Silva**, Minister Counsellor, Embassy of Brazil
 - **Mr Joaquim Penna**, Counsellor, Embassy of Brazil
- Colombia: **Mr Juan Esteban Ordúz**, President, Colombian Coffee Growers Federation
- Costa Rica: **Mr Jorge Aguilar**, Minister Counsellor, Embassy of Costa Rica
- Côte d'Ivoire: **Mr Aly Touré**, Permanent Representative to the International Commodity Organisations in London, Embassy of Côte d'Ivoire
- Democratic Republic of the Congo: **Mr Corneille Tabalo**, Permanent Representative to the ICO, Embassy of the Democratic Republic of the Congo
- El Salvador:
 - **Ms Rosella Badía**, Minister Counsellor Economic Affairs and International Organisations, Embassy of El Salvador
 - **Ms Gilda Velásquez**, Business Attaché, Embassy of El Salvador
- Honduras: **H.E. Mr Iván Romero-Martínez**, Embassy of Honduras
- México: **Ms Sofía Flota Cárdenas**, Multilateral Affairs, Embassy of México
- Nicaragua: **H.E. Ms Giuselle Morales**, Embassy of Nicaragua
- Peru: **Mr Eduardo Choroco**, Second Secretary, Embassy of Perú
- Papua New Guinea: **Mr Mick Wheeler**, Overseas Representative, Papua New Guinea Coffee Industry
- Uganda: **Mr Henry Ngabirano**, Managing Director, Uganda Coffee Development Authority (UCDA)
- European Union: **Mr Salvatore Sabatino**, Economic and Commercial Office, Embassy of Italy
- Russian Federation: **Mr Kirill Matrenichev**, Senior Economic Adviser, Trade Delegation of the Russian Federation in the United Kingdom
- Switzerland: **Mr Conradin Rasi**, First Secretary, Embassy of Switzerland
- United States of America:
 - **Ms Tanya Menchi**, Director of WTO and Multilateral Agriculture Affairs, Office of the U.S. Trade Representative;
 - **Ms Amy Diggs**, Foreign Affairs Officer, Agriculture, Biotechnology and Textiles Trade Affairs

Selected Third Parties

- Global Coffee Platform: **Ms Annette Pensel**, Interim Executive Director
- IACO: **Mr Fred Kawuma**, Secretary General
- National Coffee Association: **Mr Bill Murray**, President
- Sustainable Coffee Challenge: **Mr Niels Haak**, Manager Sustainable Coffee Policy, Conservation International Europe

ICO Staff Members

- **Mr Robério Oliveira Silva**, Executive Director
- **Ms Hamida Ebrahim**, Personal Assistant to the Executive Director
- **Ms Marcela Urueña Gómez**, Head of Operations
- **Mr David Moorhouse**, Head of Finance and Administration
- **Mr Denis Seudieu**, Chief Economist
- **Mr Sean Garden**, Finance and IT Officer
- **Mr Christoph Sängler**, Senior Economist
- **Mrs Mirella Glass**, Documents Officer
- **Mr Vicente Partida III**, Communications Officer
- **Ms Claire Selden**, Secretariat Officer



Background

September 2015

- Council adopts Resolution 457 at the 115th Session in Milan
- The Resolution calls for:
“...a strategic assessment [...] with the goal of sharpening the strategic focus and defining better the priorities of the Organization and its Members, in order to provide adequate guidance to the Secretariat.”



Background

- Establishment of Working Group
- 5 meetings since September 2015
 - Define scope of work
 - Provide guidance to Secretariat to call upon help of a consultant

March 2016

- Council adopts WP 266/16 Rev. 2 which defines scope of work, roles and responsibilities for the Strategic Review



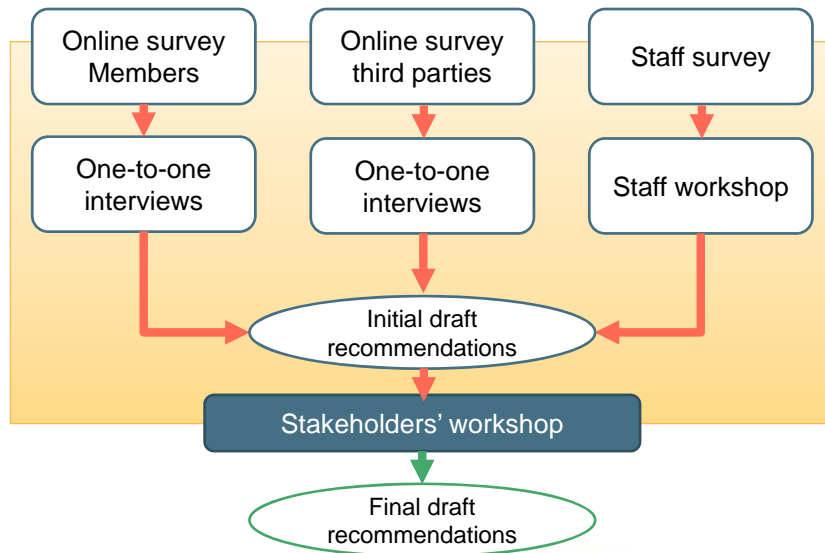
Process overview and timeline

Activity	March	April	May	June	July	August	September
1. Literature review and evaluation of global context, opportunities & challenges, and external and internal constraints	S						
2. Consultations with Members and Third Parties	S, M, TP, C						
3. Analyse results of consultations		S, C					
4. Stakeholder Workshop					S, WG, C		
5. Evaluation of recommendations from workshop					S, C		
6. Draft report of Strategic Review and submit to Working Group						S, C	
7. Review of draft by Working Group and incorporation of final comments; submission to Council							WG, S

Legend: WG: Working Group; S: Secretariat; TP: Third Parties; M: Members; C: Consultant



Strategic review process in detail



Initial results
from the
consultation
process

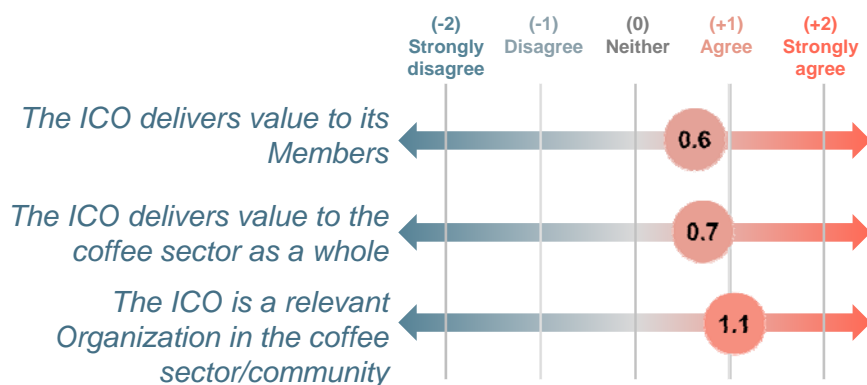
Online survey: high response rate, robust process

- 4,700 individuals invited to participate (322 individual from Member countries)
- 436 valid responses (40 from Members)
- 10% participation rate (12.5% for Members)
- Responses reflect the views of individuals



Online survey:

"How much do you agree or disagree with the following general statements about the ICO?"



One-to-one interviews: 78% votes covered

- 50 Members, 23 PSCB, 16 third parties invited
- 27 interviews completed (17 with Members), 4 more to be conducted
- Responses reflect the view of the Member country / organisation



One-to-one interviews:

"What are the biggest challenges in the coffee sector over the next 3-5 years?"

- **Economic viability of coffee production**
 - Low prices, Volatility
 - Productivity, modernisation, access to finance
- **Impact of climate change climate change**
 - Need for adaptation
- **Sustainability of the coffee sector**
 - Fair remuneration of coffee farmers
 - Rising global demand for (quality coffee)



One-to-one interviews:

"On a scale of 1-5, how much value does your country/ organization get from ICO?"

	Avg. Score (1-5)
Members	2.76 / 2.45*
Third parties	3.0

*** Responses weighted by share of votes**



One-to-one interviews:

"Which are the strategic goals most relevant to your country?"

Unequivocally:

- Providing a forum for exchange within and between public & private sector
- Encouraging members to develop a sustainable coffee sector
- Provision of statistical data and studies on coffee matters

Differing views:

- Develop proposals & seek finance for coffee development projects
- Promotion of consumption



Staff consultations: strong participation

- All members of staff were invited to complete a survey and to participate in a workshop
- 15 survey responses → participation rate: 70%
- 16 participants in workshop → 70%



Staff consultations:

- Findings broadly in line with Member feedback
- Focus on forum function and provision of data and information services
- Coffee development projects need to be revamped
- Secretariat needs to engage more with Members and third parties – alliances needed to leverage resources
- Additional suggestions for operational improvements





Conclusion

Key findings

- ICO is relevant for the coffee sector
- Great potential to improve value delivered
- ICO needs to become more flexible and adaptable to react to arising challenges
- ICO needs to strengthen its engagement with Members and collaboration with third parties



Key findings (contd.)

- Large number of objectives result in a lack of focus of the ICO
- Objectives deemed important by Stakeholders:
 - Forum on coffee matters
 - Provision of data and information services
- Differing views regarding the importance of:
 - Coffee development projects (in their current form)
 - Promotion of coffee consumption





Background - comprehensive consultations

Recommendations are based on the feedback gathered through consultation process:

1. **Member** survey and one-to-one interviews
2. **Stakeholder** survey and one-to-one interviews
3. **Staff** survey and workshop



Initial recommendations

1. In order to encourage the development of a sustainable global coffee sector and contribute to the achievement of SDGs, the ICO should focus on:
 - a. collecting, analysing, and disseminating data and information on the coffee sector to inform policy makers and the industry
 - b. providing a forum for consultations between and within the public and private sector on coffee matters
 - c. facilitating coffee development programmes through increased use of public private partnerships



Initial recommendations (contd.)

2. To achieve these objectives, the Secretariat should:
 - a) strengthen its capacity for collection and analysis of data as well as policy advice (the ICO as the coffee “think tank”)
 - b) engage Members and third parties more effectively and consistently
 - c) engage with key public and private actors in the global coffee sector to maximise their programmes’ impact by contributing to the alignment of objectives and activities



Initial recommendations (contd.)

3. Concentrate limited resources on selected and generic promotion activities (e.g. ICD)
4. Engage the Membership more effectively (e.g. through active participation in meetings and forums, provision of statistical data and information)
5. Explore the potential to diversify revenue streams (e.g. through the provision of added-value data and information services, organising and hosting events)



Initial recommendations (contd.)

6. Participate and engage fully in existing sustainability initiatives or establish ICO's own theory of change for the development of a sustainable sector
7. Develop a strategic planning framework for the Organization → Adjustments in ICO's planning cycle necessary to allow time for the approval of the strategic review / short-term plan in the meantime
8. The Secretariat to undertake an internal review to address perceived organisational weaknesses

